

Salary Ceilings for Nursing Facilities for FYE 6/30/08

<u>Position</u>	<u>FY07*</u>	<u>FY08*</u>
Administrator:		
0 – 49 beds	77,535	79,473
50 – 74 beds	90,439	92,700
75 – 99 beds	103,350	105,934
100 – 149 beds	111,972	114,771
150+ beds	116,261	119,168
Asst. Administrator:		
0 – 49 beds		
50 – 74 beds		
75 – 99 beds	56,005	57,405
100 – 149 beds	60,300	61,808
150+ beds	68,917	70,640
Dietary Supervisor	51,674	52,966
Social Worker	51,674	52,966
Director of Nursing	60,301	61,809
Maintenance Supervisor	56,005	57,405
Activities/Social Service Director	51,674	52,966
Bookkeeper	47,382	48,567
Office Supervisor	47,382	48,567

* These salary ceilings should be applied only to individuals who are non-owner related parties. Salaries for nursing home owners should be limited to \$100,000. The effective date of this change was July 1, 2001, with the use of the 2000 cost report.

Revised: August 21, 2008

Home Office Salaries

- A. A “per bed” approach is used to establish annual limits for home office salaries*. Based on the 70th percentile, the following caps would be set for the 2007 cost report:

<u>Position</u>	<u>Per Bed (70th Percentile)</u>
CEO	\$ 468
COO	\$ 392
CFO	\$ 160

Salaries for all other positions should be limited to the CFO cap. Fringe benefits costs should be adjusted accordingly.

- B. The maximum allowable expense for fees paid to members of a facility’s board of directors is \$2,272 per member per year.
- C. For fees paid to medical directors, the following general ceilings have been established:

<u>bed size</u>	<u>0-100</u>	<u>101-200</u>	<u>200+</u>
amount	\$23,353	\$31,137	\$38,920

- D. For expenses related to vehicles, a general guideline of one vehicle for each one hundred beds or portion thereof has been established. If a facility reports property costs or operation costs for more vehicles than the guideline suggests, the facility should be informed that disallowance would be made unless the facility could justify its high number of vehicles. If any justification is offered, the auditor should exercise his/her judgement in waiving the disallowance. Also, continue your review of vehicles comparing the lower of IRS or Medicare limits.
- E. Review any changes to Chapter 1000 of the Nursing Facility Services Manual.